



DEPARTMENT OF VETERANS AFFAIRS
Veterans Benefits Administration
Washington DC 20420

MAR 18 2011

Dear School Official:

As you may be aware, President Obama signed the Post-9/11 Veterans Educational Assistance Improvements Act of 2010 (Public Law 111-377) on January 4, 2011. The provisions included in the law have a significant impact on how you should certify a student's enrollment and the amount of benefits payable to a school on a student's behalf.

Based on your requests, we are working on a comprehensive processing guide for all school officials to be released later this year. All procedural guidance will be incorporated in this document for your reference. At this time, however, we felt it was important to provide certain information as soon as possible with regard to upcoming changes in reporting.

Please review the updates carefully to see how they affect you.

Reporting Changes

Public Law 111-377 changes the amount of tuition and fee charges which should be reported to VA. For periods of enrollment beginning on or after August 1, 2011, you should report the following charges:

*The actual net cost for in-state tuition and fees assessed by the institution for the program of education after the application of any waiver of, or reduction in, tuition and fees; and any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (**excluding loans and title IV funds**) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.*

Example: Student gross in-state charges =	\$4,000
Veteran Discount	-400
Tuition Scholarship	-\$2,000
Title IV (ex. Pell Grant)	(2,500)
General Scholarship	(1,000)
Net in-State Charges	= \$1,600

Aid or assistance that is not designated for the sole purpose of reducing a student's tuition and fee cost should not be excluded from the net in-state charges reported to VA.

Example: The student above also has a \$1,000 scholarship from a local Veterans Service Organization. The scholarship is general in nature and may be used to defray school costs such as food, housing, books, etc. Since it's not "specifically designated for the sole purpose of defraying tuition and fees," it is not deducted from the charges submitted to VA.

Payment Changes

Public Law 111-377 also changes the amount of tuition and fees which are payable to a school on a student's behalf.

1. Individuals on active duty (and their spouses using transferred entitlement) will be paid benefits at the applicable percentage of the maximum benefits based upon accrued qualifying service, just like veterans. This will apply to terms beginning on or after March 5, 2011, for those pursuing a degree program at more than one-half time; and will apply to everyone (regardless of the type of program or training time) for terms beginning on or after August 1, 2011. Individuals on active duty with less than 36 months of service (and their spouses) will receive less than 100% of the tuition and fee charges certified by the school.
2. Effective August 1, 2011, the individual state caps for tuition and fees are removed. The amounts payable will be as follows:
 - For public schools, VA will pay the claimant's benefit percentage of the in-state actual net cost. This applies to both undergraduate and graduate programs. The Yellow Ribbon Program may still be utilized to pay for out of state tuition and fee charges.
 - For private and foreign schools, VA will pay the claimant's benefit percentage of the in-state actual net cost up to a limit of \$17,500.00 per academic year. The Yellow Ribbon Program may still be utilized by domestic institutions to pay for tuition and fee charges above the yearly cap.

Certification for the Full Academic Year

Institutions on a term, quarter, or semester basis may certify a student's enrollment in advance for the entire academic year (including the following summer term). Schools are *strongly encouraged* to submit yearly certifications as early as June 1 of each year in order to ensure that students receive their benefit payments in a timely manner with no interruptions.

*Note: For the upcoming academic year beginning August 1, 2011, we ask that you hold ALL enrollment certifications for terms beginning on or after this date until **June 6, 2011**.*

When certifying for the entire academic year, schools should do the following:

- Submit the actual net cost for in-state tuition and fees for each term, if known; or
- Submit the term dates and credits and enter \$0.00 for tuition charges and fee charges. You should submit an Amended Enrollment Certification once the actual net cost for in-state tuition and fees is known in order to ensure correct payment.

I hope that this information will assist you in performing your duties as a school certifying official. For a complete listing of all the changes to VA education programs, please visit our website at www.gibill.va.gov. If you have additional questions regarding how to certify a student's enrollment, you should contact your VA Education Liaison

Representative (ELR). Contact information for your ELR can be found on our website at <http://gibill.va.gov/school-certifying-officials/elr.html>.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith M. Wilson", with a horizontal line extending to the right.

KEITH M. WILSON
Director
Education Service